

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

SYMBRIA, INC., <i>et al.</i> ,)
)
Plaintiffs,) Case No.: 1:20-cv-04084
)
v.) Judge Mary M. Rowland
)
JOHN R. CALLEN, <i>et al.</i> ,) Judge M. David Weisman
)
Defendants.)

**DEFENDANTS' STATUS REPORT ON WRITTEN DISCOVERY AND
SETTLEMENT**

Pursuant to the Court's October 6, 2022 Order (Dkt. 587), Defendants John R. Callen, United Methodist Homes and Services, Christos V. Dilmas, MedRehab Alliance Holdings, Inc., MedRehab Alliance, LLC, MedRehab Alliance Interstate, LLC, Illinois Ancillary Services Network, LLC, MedRehab Therapy Associates of Illinois, LLC, Joint & Neuro Rehab Associates, LLC, Pearl Health Care Services, Inc., d/b/a MedRehab at Home and as Chicago Med Home Health, Chicago Rehabilitation Collective PLLC, and MedRehab Alliance Wisconsin, LLC (collectively, "Defendants"), respectfully submit this status report on behalf of Defendants only with an update on settlement and a proposed discovery schedule after being unable to reach agreement with Plaintiffs on the proposed discovery schedule set forth in the Report.

I. Settlement Update

Plaintiffs v. John R. Callen, MedRehab Entities, and JNR

Plaintiffs and Defendants Pearl Health Care Services, Inc. and Illinois Ancillary Services Network, LLC have tentatively agreed on settlement terms subject to execution of a written settlement agreement, and are exchanging drafts of a settlement agreement. The tentative

settlement agreement provides for Pearl and IASN to be dismissed from this action after the payment of the settlement amount, which may take up to a year.

Plaintiffs and Defendant Chicago Rehabilitation Collective PLLC are still engaging in settlement negotiations. The parties are negotiating about releases to be given by Plaintiffs or alternatives to releases, as well as the settlement amount to be paid to Plaintiffs by Chicago Rehab.

Plaintiffs and United Methodist Homes and Services have not agreed to settlement terms. Plaintiffs provided an individual demand to United Methodist Homes and Services on October 7, 2022 and a counter-offer was provided to Plaintiffs on October 26, 2022.

Plaintiffs and Defendants John Callen, MedRehab Alliance Holdings, Inc., MedRehab Alliance, LLC, MedRehab Alliance Interstate, LLC, MedRehab Therapy Associates of Illinois, LLC, Joint & Neuro Rehab Associates, LLC, and MedRehab Alliance Wisconsin, LLC have not agreed to settlement terms. On October 31, 2022, Callen and these companies made a settlement counter-offer, which Plaintiffs are now considering.

UMHS Defendants and John Callen Defendants have provided a letter to the Court via the Court's email address Proposed_Order_Weisman@ilnd.uscourts.gov setting forth specific offer and demand updates.

II. Proposed Discovery Schedule

A. Defendants Intend to Seek Leave of Court to Add Third Party Complaint and Two New Third Party Defendants.

UMHS plans to seek leave of court to file a third party complaint and add two third party defendants to this litigation. UMHS' Third Party Complaint is for professional negligence and legal malpractice against an attorney and law firm that represented UMHS and provided advice to UMHS that it was permitted to solicit customers and compete with Symbria outside of Illinois under the terms of the SPA Agreement. In light of UMHS' plan to file a motion for leave to file a

third party complaint, Defendants have modified the proposed discovery schedule to allow an additional 30 days of no discovery so that the third party defendants can file an appearance and participate in anticipated oral discovery that will be proceeding.

The Defendants state that the Defendants' proposed discovery schedule is appropriate in that several Motions on the pleadings are outstanding, including Plaintiffs' Motion for Leave to File the Fourth Amended Complaint and Plaintiffs' Motion to Strike all Affirmative Defenses and Counterclaims filed by the Defendants. As such, the Parties are not yet at issue. Additionally, there is no prejudice to Plaintiffs in the proposed discovery schedule, as the Parties previously entered into a Consent Order providing the Plaintiffs with temporary relief regarding several items Plaintiffs deem confidential.

B. The Defendants propose the following discovery schedule:

Additional stay of discovery:	December 1, 2022
Deadline to complete fact depositions:	July 17, 2023
Deadline for Plaintiffs' expert disclosures and reports:	August 14, 2023
Deadline for Defendants' expert disclosures and reports:	September 11, 2023
Deadline for completion of expert discovery as to Plaintiffs' experts:	October 9, 2023
Deadline for completion of expert discovery as to Defendants' experts:	November 6, 2023
Deadline for filing dispositive motions:	December 4, 2023
Responses to dispositive motions:	Due 30 days after filing of motion
Replies for dispositive motions:	Due 30 days after filing of motion
Expected trial date:	March 2024

Dated: November 1, 2022

Respectfully submitted,

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